

KENTUCKY STATE-CHARTERED CREDIT UNION BYLAWS

ARTICLE I Name - Purposes

Section 1. The name of this credit union shall be as stated in Section 1 of the Articles of Incorporation.

Section 2. The purposes of this credit union is to promote thrift among its members and to make loans to its members and to do and perform such services and acts and have and exercise such powers as are granted, and allowed credit unions provided in Chapter 290 of the Kentucky Revised Statutes, approved and in force, as now or hereafter amended.

ARTICLE II Membership

Section 1. The field of membership of this credit union is limited to:

Section 2. Membership is determined by election to membership as provided in Chapter 290 of Kentucky Revised Statutes, approved and in force, as of now or hereafter amended.

Section 3. Members who leave the field of membership may retain their membership by standards established by the board of directors and maintained for in the office of the credit union.

ARTICLE III Meetings of Members

Section 1. The annual meeting of the members shall be held at such time and place as the board of directors shall determine. A notice of said annual meeting shall be mailed or given to each member or posted in a conspicuous place in the office of the credit union, by the secretary at least ten days before the date thereof.

Section 2. Fifteen members shall constitute a quorum. If a quorum is not present on the date first appointed for a regular or special meeting of the credit union, the meeting shall be adjourned for ten days, and a second notice shall be provided to all members, containing the date of the adjourned meeting, at which said adjourned meeting those then present shall constitute a quorum for the transaction of business.

Section 3. Each member shall have but one vote, irrespective of the number of shares he may own. When not otherwise provided

the vote of a majority of the members present in person at a meeting shall be the act of the Corporation. A member other than a natural person shall be entitled to one vote to be cast by a duly delegated agent.

Section 4. The board of directors of the credit union or the supervisory committee, may call special meetings of the credit union and special meetings shall be held upon request in writing, of ten percent of the members. All notices of special meetings shall state clearly the purpose of the call for the meeting and, at said meeting, no other business shall be transacted, except as set forth in the call. Notices of all meetings shall be provided to each member at least ten days before the date of the meeting.

ARTICLE IV Terms of Office

Regular terms of office for elected directors shall be for periods of two/three years; provided, however, that all regular terms shall be for the same number of years and until the election and qualification of successors.

The regular terms of office shall be so fixed at the beginning, or upon any increase or decrease of the number, that approximately an equal number of regular terms shall expire at each annual meeting.

ARTICLE V Duties of Officers

Section 1. The officers of this credit union shall be as defined in the Credit Union Act.

Section 2. The duties of the chairman of the board shall be to preside at meetings of the members and the board of directors, and to perform all the other usual duties connected with that office.

Section 3. The vice chairman shall in the absence of the chairman, perform the duties of the chairman and such other duties as the board of directors may from time to time prescribe.

Section 4. The treasurer shall be responsible for submitting financial reports to supervisory agencies and may serve as the process agent.

Section 5. The secretary shall keep correct records of all meetings of the members and the board of directors. He shall give notice of all meetings of members, and shall perform all other duties incident to his office.

Section 6. The president shall be the general manager of the credit union and be in active charge of its operations.

ARTICLE VI
Form of Shares
and Notice of
Withdrawal

Section 1. The number of shares which may be issued by this credit union shall be unlimited and in such form as prescribed or permitted by the Credit Union Act and approved by the Commissioner.

Section 2. The par value of shares shall be determined by the board of directors.

Section 3. The board may establish a required fee for membership and will maintain such information in the office of the credit union.

Section 4. Fully paid shares may be transferred to any person eligible to membership.

Section 5. A member may withdraw his money paid in on shares on any day when payments for shares may be received, provided the withdrawing member has filed a written notice of such intention; but the board of directors may require a member, at any time, to give thirty days notice, in writing, of his intention to withdraw the whole or any part of the amount paid in by him on account of shares. Such withdrawing member shall receive the amount paid in by him on account of shares, together, with such dividends as have been credited thereto, less any lawful fines or other obligations due to this credit union. Withdrawals shall be met in the order of their filing, and as funds therefore become available. No member who has filed a notice of his intention to withdraw shall exercise any of the privileges of membership. Except the board may establish a special class of shares not withdrawable, redeemable or transferable except upon termination of membership in the credit union.

Section 6. No officer, director, or committee member, shall discount or directly or indirectly purchase from another member a share in this credit union, whether filed for withdrawal or not.

Section 7. The credit union shall have a lien on the shares of any member and upon the dividends payable thereon, for and to the extent of any loans made to him, or any dues and fines payable by him.

Section 8. Upon direction by the member, shares may be paid to a third party.

ARTICLE VII
Fines

Unless waived by the board of directors, a member failing to make a payment upon shares when due, or on repayments of a loan when due, shall pay a fine at a rate fixed by the board.

ARTICLE VIII
Loans

Section 1. Except as otherwise provided in the laws and regulations governing credit unions, loans shall be made only to members.

Section 2. No loan shall be made to any member in excess of the limitations imposed by the Credit Union Act.

Section 3. The amount of a loan, the time for which it is granted, the terms of its repayment and the form and value of the security, if any, shall be determined by the credit committee or credit manager and within policy limitations established by the board of directors.

Section 4. The rate of interest charged on loans and policies with respect to the granting of loans, shall be fixed by the board of directors.

Section 5. Applications for loans shall state the purpose for which the money is borrowed, if the facts stated in the application are found to be misrepresented, the loan may become immediately due and payable. In the event the board of directors, for good cause, deem any loan unsafe, additional security may be demanded and required.

Section 6. Loans to officers, directors, employees, loan officers, credit manager and to members of its supervisory and credit committees shall not be in excess of the limitations provided by the Credit Union Act.

ARTICLE IX
Amendments of
Bylaws

Section 1. Amendments to these Bylaws, and amendments of the Articles of Incorporation may be adopted by the affirmative vote of two-thirds of the total members of the board thereof after the members of the board have been given at least ten days notice of said meeting and the notice has contained a copy of the proposed amendment or amendments. No amendment of these Bylaws or of the Articles of Incorporation shall become effective, however, until approved, in writing, by the Commissioner of the Department of Financial Institutions.